

MODULAR SYSTEMS CONTRACT SPECIAL TERMS AND CONDITIONS FOR
CONTRACT NUMBERS 404574 (GULF SOUTH BUSINESS SYSTEMS),
405088 (OFFICE PAVILION), AND 405360 (FROST-BARBER)

1. Storage: In the event storage is required, the vendor will not be required to provide storage of furniture for more than 30 days beyond the scheduled delivery/installation date. After 30 days, if the state is not ready for delivery/installation, the state will be responsible for the storage cost incurred from the 31st day. Vendor shall advise both the agency and the Office of State Purchasing prior to incurring any storage cost. Vendor shall invoice the agency based on the rate per sq. ft. of space utilized for storage per day as quoted on the contract.
2. Price Adjustments: The list price list(s) bid shall remain firm and effective for the duration of the contract period. Price adjustments will be considered for subsequent annual contract renewals. The contractor must submit written request for price adjustments to the Director of State Purchasing at least thirty (30) days prior to the contract anniversary. No adjustments shall be effective until approved in writing by the Office of State Purchasing. The state reserves the right to accept the price adjustment or re-bid the contract. Orders shall be invoiced at the contract prices in effect on the date of the agency's release order.

Price adjustments shall be based on the Producer Price Index (PPI) table 5, for product code 2522-611 Panel and Modular Furniture as published by U.S. Department of Labor, Bureau of Labor Statistics, Washington, DC. The base index shall be the index announced for the month in which this contract originates. Price adjustments (percent changes) shall be calculated by applying the standard PPI formula to the base index. Price adjustments shall be applied to original price list(s) accepted. Price adjustments for each subsequent contract renewal period will be calculated from the base index re-established at the time of any previously approved price adjustments.

3. Abandoned Projects: If a user agency decides to abandon a project when the vendor has already invested design time (after receiving letter of authorization), the user agency is liable for a portion of the vendor's design fee. The vendor shall invoice the user on percentage of design completion, using design fee percentage of list quoted on the contract. The design fee is considered complete at the point of order placement.
4. Insurance: Workmen's Compensation, Public Liability and Property Damage are required by the vendor and all authorized installers/dealers which are not protected under the prime vendor's own insurance policy.
5. Delivery and Installation: The vendor hereby agrees that he will initiate shipment from factory within four (4) to six (6) weeks for standard delivery from the date of order placement by the user. Quick ship is available based on a percentage of the total list price of the products. Installation will proceed in timely fashion with a deadline and a scheduled mutually agreed to in writing by the agency and the vendor.
6. Liquidated Damages: The vendor hereby agrees to pay as liquidated the sum of one (1%) of the purchase price (net) for each consecutive calendar day which the installation is not complete, beginning with the first day beyond the completion time as stated above.